GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:3161
ANSWERED ON:05.12.2016
Special Economic Zones
Chauhan Shri Nihal Chand;Choudhary Shri Ram Tahal;Rajbhar Shri Hari Narayan

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the details of Special Economic Zones (SEZs) in the country at present, State/UT-wise;
(b) the details of the contribution made by these SEZs in exports in terms of value and employment generation during the last three years and the current year, State/UTwise;
(c) whether it has come to the notice of the Government that certain fake SEZs are being operated in the country;
(d) if so, the details of such fake SEZs identified during the last three years, Statewise along with the action taken by the Government against these SEZs;
(e) whether the Government has formulated separate legislation for SEZs in the country; and
(f) if so, the details thereof along with the manner in which they are different from ordinary legislation and the steps taken by the Government to strengthen SEZs in the country?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

(a) and (b): In addition to Seven Central Government Special Economic Zones (SEZs) and 11 State/Private Sector SEZs set-up prior to the enactment of the SEZs Act, 2005, approvals have been accorded to 405 proposals for setting up of SEZs in the country. Presently, out of 331 notified SEZs a total of 206 SEZs are operational. States/UTs-wise details of the contribution to exports and employment generation during the last three years and the current year are at Annexure.

(c): No Madam.

(d): Does not arise.

(e) and (f) : Government has enacted Special Economic Zone (SEZs) Act, 2005 to achieve the objectives of SEZ policy. The salient features of the Act are: -

(i) SEZ is a designated duty free enclave to be treated as a territory outside the customs territory of India ;
(ii) SEZ Developers and Units will have Direct Tax and Indirect Tax concessions as prescribed in the SEZs Act, 2005.
(iii) No licence will be required for import of inputs for operations in SEZ ;
(iv) Domestic sales by SEZ units will be subject to applicable customs duties and Foreign Trade Policy in force;
(v) SEZ units will have freedom for subcontracting;
(vi) No routine examination by customs authorities of export/import cargo;
(vii) The Unit in SEZ shall achieve Positive Net Foreign Exchange to be calculated cumulatively for a period of five years from the commencement of production;

The various steps taken to strengthen SEZs in the country are as under:

i. Minimum Land Area requirement for setting up of new SEZs has been reduced to 50% for Multi-product and Sector-specific SEZs.
ii. Sectoral broad-banding has been introduced to encompass similar / related areas under the same Sector.
iii. A new sector "agro-based food processing" sector has been introduced to encourage agro-based industries in SEZs.
iv. Dual use of facilities like Social & Commercial infrastructure by SEZs and non-SEZs entities has been allowed in order to make SEZ operations more viable.
v. Online processing of various activities relating to SEZ Developers and Units has been introduced for improving ease of doing business.

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Annexure to the Lok Sabha Unstarred Question No. 3161 for 5th December, 2016.

States/UTs-wise details of Exports and Employment from SEZs during the last three years and current financial year
Exports
(Rs. in Crore) Employment*
(In Persons)

Sl. No.	States/UTs	2013-14	2014-15	2015-16	2016-17 (as on 30.9.2016)	2013-14	2014-15	2015-16	2016-17 (as on 30.9.2016)
1	Gujarat	225042	179791.75	135719.65	67191.88	75586	63475	68224	71378
2	Karnataka	51372.88	55197.83	54307.07	23532.64	193686	237138	237138	260884
3	Tamil Nadu	71417	68103.63	79296.62	37970.79	268405	287275	326569	343428
4	Maharashtra	56399.23	62535.90	71618.53	34739.83	339919	360543	363760	378470
5	Kerala	8003.64	6540.2	10386.99	8258.78	32311	49652	49652	52058
6	Andhra Pradesh	33291.07#	7887.61	10843.94	5973.24	157280	47506	56456	56502
7	Telangana	0	37108	46944.76	25129.55	0	154784	188607	205826
8	Uttar Pradesh	16282.42	16516.77	19756.72	10569.64	83970	96591	105609	113705
9	West Bengal	16204.27	9872.79	11832.13	6831.68	48112	51241	63160	64654
10	Haryana	8740.43	11139.50	15673.53	8110.96	50208	55256	84812	90695
11	Madhya Pradesh	2984.23	4009.46	4970.05	3740.70	10308	10828	15624	15882
12	Rajasthan	2036.59	2091.34	2233.9	1199.60	14574	16321	17723	17747
13	Chandigarh	1778.15	2084.24	2561.54	1335.05	5927	7297	8295	8555
14	Odisha	386.09	596.66	879.11	1149.70	1577	2347	3322	6125
15	Punjab	136.72	290.79	312.58	165.64	1299	1993	2283	2275
16	Chhattisgarh	1.84	3.19	0.11	0	119	41	119	125
17	Goa	0	0	0	0	28	28	28	28
TOTAL		494077	463770	467337	235900	1283309	1442316	1591381	1688337

* Calculated on cumulative basis.

Including Telangana.

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